

## HOUSE BILL No. 1167

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3.1-31.

**Synopsis:** Child and dependent care tax credit. Provides a refundable income tax credit to individuals for certain household, child care, or dependent care expenses associated with an individual's gainful employment. Provides that the amount of the credit is 50% of the federal child and dependent care credit. Provides that an individual whose federal adjusted gross income exceeds \$45,000 is not eligible for the credit.

**Effective:** January 1, 2008.

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**Micon, Klinker, Crawford, Buell**

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January 11, 2007, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## HOUSE BILL No. 1167

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 6-3.1-31 IS ADDED TO THE INDIANA CODE  
2       AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3       JANUARY 1, 2008]:

4       **Chapter 31. Child and Dependent Care Tax Credit**

5       **Sec. 1. (a) Subject to subsection (b), an individual who is eligible**  
6       **for a federal income tax credit under Section 21 of the Internal**  
7       **Revenue Code may claim a credit under this chapter equal to fifty**  
8       **percent (50%) of the amount of the federal income tax credit that**  
9       **the individual:**

10       **(1) is eligible to receive in the taxable year; and**

11       **(2) claimed for the taxable year;**

12       **under Section 21 of the Internal Revenue Code.**

13       **(b) An individual whose federal adjusted gross income (as**  
14       **defined in Section 62 of the Internal Revenue Code) exceeds**  
15       **forty-five thousand dollars (\$45,000) for a taxable year is not**  
16       **eligible for the credit provided by this chapter.**

17       **Sec. 2. If the credit amount provided by this chapter exceeds the**



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1 taxpayer's adjusted gross income tax liability for the taxable year,  
2 the department shall refund the excess to the taxpayer.

3 Sec. 3. To obtain a credit under this chapter, a taxpayer must  
4 claim the credit in the manner prescribed by the department. The  
5 taxpayer must submit to the department all information that the  
6 department determines is necessary for the calculation of the credit  
7 provided by this chapter.

8 SECTION 2. [EFFECTIVE JANUARY 1, 2008] IC 6-3.1-31, as  
9 added by this act, applies only to taxable years beginning after  
10 December 31, 2007.

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